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09/710,011	11/10/2000	Giorgos C. Zacharia	O0220/7006/SJH/DPM	4469

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EXAMINER

STIMPAK, JOHNNA

ART UNIT

PAPER NUMBER

3623

/ DATE MAILED: 07/01/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/710,011

Applicant(s)

ZACHARIA, GIORGOS C.

Examiner

Johnna R Stimpak

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 10 April 2003.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-43 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-43 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

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DETAILED ACTION

1. The following is a final office action in response to the amendment filed April 10, 2003. Claims 1-13 were previously pending. By this new amendment, Applicants amended claims 1-13 and added claims 14-43. Claims 1-43 are pending and have been examined on the merits discussed below.

Response to Amendment

2. The prior rejections to claims 1-10, regarding usage of the word "acts", have been withdrawn by the Examiner.

3. The prior rejections to claims 4 and 5 under 35 USC 112, 2nd paragraph have been withdrawn by the Examiner after review of amendments to the claims.

4. The prior rejections to claims 1-10 under 35 USC 101 have been withdrawn by the examiner after review of amendments to the claims.

5. As for Applicant's response directed to claims 1-17, Examiner respectfully disagrees. As for the rejections to claims 1, 5, 6, 7 and 11-13 under 35 USC 102(b) as being anticipated by Zacharia, in the interview dated April 3, 2003, Examiner agreed with Applicant that the Zacharia reference did not teach the first rater reputation representing a reputation of the second entity *as a qualitative rater of other entities*. After further review of Applicant's response and the Zacharia reference, Examiner feels the Zacharia reference does teach the reputation of a user as being based on a qualitative rating. On page 4, first column, last paragraph, Zacharia states that reputation ratings can vary from 0.1 for terrible to 1 for perfect. This inherently means that the first rater reputation, does, in fact, represent a reputation of the second entity *as a qualitative*

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rater of other entities. The qualitative rating corresponds to a quantitative value that is used in the algorithmic calculations used to determine the ratee reputation in equation 1. Therefore, since Zacharia does teach the use of qualitative ratings to produce a ratee reputation, Examiner upholds prior rejections to claims 1, 5, 6, 7 and 11-13 and has added new rejections to claims 2-4 and 14-17. The rejections are located below for convenience.

6. As decided on in the Interview dated April 3, 2003, the rejections under 35 USC 102(b) as being anticipated by Bergh have been withdrawn after further review by the Examiner.

7. As for claims 14-17, 27-30 and 40-43, Applicant states these claims patentably distinguish over Zacharia. Examiner respectfully disagrees. Rejections to these claims are formulated below.

8. As for claims 11-13, 18-43, Applicant argues that Zacharia fails to disclose a system for determining a ratee reputation for a first entity from the perspective of a second entity associated with the first entity by one or more rating paths. Claims 11-13, 18-26 and 31-39 are written in a mean-plus-function format and have been treated as though they are method claims. In view of the following statement, the Examiner is upholding the prior rejections to claims 11-13, 18-26 and 31-39. The courts have held that such treatment is acceptable:

“If the functionally-defined disclosed means and their equivalents are so broad that they encompass any and every means for performing the recited functions, the apparatus claim is an attempt to exalt form over substance since the claim is really to the method or series of functions itself. In computer-related inventions, the recited means often perform the functions of “number crunching: (solving mathematical algorithms and making calculations). In such cases the burden

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must be placed on the applicant to demonstrate that the claim is truly drawn to specific apparatus distinct from other apparatus capable of performing the identical functions.”

If this burden has not been discharged, the apparatus will be treated as if it were drawn to the method or process which encompasses all of the claimed “means”. See In re Abele 214 USPQ 682, 688 (CCPA 1982); Ex parte Akamatsu, 22 USPQ 2d 1915, 1920; and Ex parte Alappat, 23 USPQ 2d 1340, 1344.

Claim Rejections - 35 USC § 102

9. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

10. **Claims 1-7, 11-17, 18-23, 27-36 and 40-43** are rejected under **35 U.S.C. 102(b)** as being anticipated by **Zacharia et al.**

As per **claim 1**, Zacharia et al teaches a method of determining a ratee reputation of a first entity, comprising acts of: (A) receiving a first rating of the first entity by a second entity (p4 column 1, lines8-10); (B) accessing one or more rater reputations, a first rater reputation of the one or more rater reputations being a first rater reputations of the second entity as a qualitative rater of other entities (p4, column 1 – for the ratee reputation to be determined, the reputation of the user giving the rating is taken into consideration, see equation 1); and (C)

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generating a ratee reputation of the first entity, comprising combining the one or more rater reputations and the first rating (p4, column 1 – for the ratee reputation to be determined, the reputation of the user giving the rating is taken into consideration, see equation 1).

As per **claim 2**, Zacharia et al teaches (D) accessing one or more second ratings provided for the first entity, each second rating provided by and associated entity, wherein act (C) further comprises: (2) combining second ratings with the first rating (page 4, equation 1, t represents the number of ratings received, the equation represents the summation of ratings received as t goes from 1 to t).

As per **claim 3**, Zacharia et al teaches (a) calculating an average of the first and second ratings (page 4, equation 1, the summation of the weighted ratings is divided by the variable θ and used as an averaging function, also see figure 1, θ represents the number of raters).

As per **claim 4**, Zacharia et al teaches (i) weighting each second rating and the first rating with its corresponding rater reputation such that the calculated average is a weighted average (page 4, equation 1, the summation of the weighted ratings is divided by the variable θ and used as an averaging function, also see figure 1, θ represents the number of raters, in equation 1, the ratings are weighted by the reputation values).

As per **claim 5**, Zacharia et al teaches (D) receiving an initial ratee reputation signal indicating a ratee reputation of the first user prior to the reception of the first rating, wherein (C) comprises (1) generating a ratee reputation adjustment from the first rating and the first rater reputation signal; and (2) adding the ratee reputation adjustment to the initial ratee reputation signal (p4, column 1, equation 1 – the ratee reputation is adjusted (updated) by summing the equation for each rating received) .

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As per **claim 6**, teaches (E) determining a damping factor as a negative function of the initial ratee reputation signal (p4, column 1, equation 1 – damping function= $\Phi(R)$), wherein (C) comprises: (3) determining a ratee reputation modification to be applied to the initial ratee reputation signal based on the first rating signal, the first rater reputation signal and the damping factor, and wherein (C)(1) comprises generating the ratee reputation adjustment from the ratee reputation modification (p4, equation 1 – the ratee reputation is modified (updated by multiplying the damping factor, the rater reputation and the rating and summing for each rating received).

As per **claim 7**, teaches (E) determining an expected rating by dividing a value of the initial ratee reputation signal by a maximum ratee reputation value (p4, column 2, lines 4-6 and equation 1); and (F) subtracting the expected rating from a value of the first rating signal to produce a rating difference (p4, column 1, line one of equation 1 – the expected rating is subtracted from the rating), wherein, if the rating difference is a positive value, then the ratee reputation adjustment is a positive value, thereby resulting in an increase in the ratee reputation of the first entity from the initial ratee reputation, and wherein, if the rating difference is a negative value, then the ratee reputation adjustment is a negative value, thereby resulting in a decrease in the ratee reputation of the first entity from the initial ratee reputation (p4, column 2, lines 6-8 – “if the rating is less than the expected one, the rated user loses some of his reputation value” – therefore, if the subtraction results in a negative value the reputation goes down, if the subtraction results in a positive value, the reputation goes up).

As per **claims 11 and 18-23**, these claims are directed to the system that generates the ratee reputation of claims 1. Therefore, the rejection applied to claim 1 also applies to claim 11.

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As per **claim 12**, it is the system that performs the method of claim 1. Therefore, the rejection applied to claim 1 also applied to claim 12.

As per **claim 13 and 31-36**, it is the computer readable medium defining instructions to perform the method of claim 1. Therefore, the rejection applied to claim 1 also applied to claim 13.

As per **claim 14, 27 and 40**, Zacharia et al teaches the first entity is a person (page 1, the reputation mechanisms are tested in an electronic transaction system such as Kasbah, where users list items for sale and a users rating is dependent on reputations).

As per **claim 15, 28 and 41**, Zacharia et al teaches the first entity is an electronic agent (page 1, the reputation mechanisms are tested in an electronic transaction system such as Kasbah, where users can set up electronic agents).

As per **claim 16, 29 and 42**, Zacharia et al teaches the rating is based on an exchange between the second entity and the first entity (page 1, the reputation mechanisms are used in systems such as Kasbah wherein users interact for the exchange of goods).

As per **claim 17, 30 and 43**, Zacharia et al teaches (D) receiving a third rating of the first entity by a third entity; (E) accessing a second rater reputation representing a reputation of the third entity as a qualitative rate of other entities; and (F) updating the ratee reputation of the first entity, comprising combining the generated ratee reputation, the second rater reputation and the third rating (page 4, equation 1, t represents the number of ratings received, the equation represents the summation of ratings received as t goes from 1 to t).

Claim Rejections - 35 USC § 103

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. **Claims 8-10, 24-26 and 37-39** are rejected under 35 U.S.C. 103(a) as being unpatentable over Zacharia et al, in view of Moukas et al.

As per **claims 8, 24 and 37**, Zacharia et al teaches all the limitation of claim 8 as applied to claim 1 above, but do not teach determining whether to transact with the first entity based on the determined ratee reputation of the first entity. Moukas et al teaches a selling agent that knows what expertise an entity has and can compare different entities offering the expertise. Moukas et al specifically uses the reputation of the entity to decide whether to transact with the entity (p14). It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the reputation generating method of Zacharia et al with the Moukas et al method of determining whether to transact with an entity to make, for example, an online shopping experience more efficient, realistic and trustworthy as suggested by Moukas et al.

As per **claim 9, 25 and 38**, Zacharia et al teaches all the limitations of claim 9 as applied to claim 1 above, but do not teach determining a price to pay for a good or service offered by the first entity based on the determined ratee reputation of the first entity. Moukas et al teaches a selling agent that knows what expertise an entity has and can compare different entities offering the expertise. Moukas et al specifically teaches the reputation of the entity being a significant factor of the price level negotiation (p14). It would have been obvious to one of ordinary skill in

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the art at the time of the invention to combine the reputation generating method of Zacharia et al with the Moukas et al method of determining a price to pay for a good or service offered by the first entity based on the determined ratee reputation to make, for example, an online shopping experience more efficient, realistic and trustworthy as suggested by Moukas et al.

As per claim 10, 26 and 39, Zacharia et al teaches all the limitations of claim 10 as applied to claim 1 above, but do not teach determining a price to pay for insuring a quality of a good or service offered by the first entity based on the determined ratee reputation of the first entity. Moukas et al teaches a selling agent that knows what expertise an entity has and can compare different entities offering the expertise. Moukas et al specifically teaches the reputation of the entity being a factor of merchant differentiation in retail sales negotiation (p12 – Tete-a-Tete). Moukas et al teaches a negotiation system that provides way for merchants to differentiate themselves in product and service attributes such as warranty length and options, service contracts, payment options, etc (p12 – Tete-a-Tete), all of which are elements of insuring quality of a product. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the reputation generating method of Zacharia et al with the Moukas et al method of determining a price to pay for a good or service offered by the first entity based on the determined ratee reputation to make, for example, an online shopping experience more efficient, realistic and trustworthy as suggested by Moukas et al.

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Conclusion

13. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to **Johnna Stimpak** whose telephone number is **703-305-4566**. The examiner can normally be reached Monday through Friday from 8:00 to 5:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **Tariq Hafiz**, can be reached on **703-305-9643**.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the **Receptionist** whose telephone number is **703-308-1113**.

Any response to this action should be mailed to:

Commissioner of Patents and Trademarks
Washington, D.C. 20231

Or faxed to:

703-305-7687

[Official communications; including
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703-746-3956

[Informal/Draft communications, labeled
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Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA, 7th Floor.

JS
6/24/03


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